

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Required Report - public distribution

Date: 9/28/2012

GAIN Report Number:

Turkey

Oilseeds and Products Update

Oilseeds 2012 Update

Approved By:

Jess K. Paulson,
Agricultural Attaché

Prepared By:

Ibrahim Sirtioglu,
Marketing Specialist

Report Highlights:

MY 2012 sunflowerseed area and production is now estimated at 490,000 hectares and 1 MMT. Despite the increase in planting area, a lack of rain adversely affected Turkish sunflowerseed yield in the Thrace and Cukurova regions. Demand for imported sunflowerseed, meal, and oil, all increased significantly during MY 2011 due to the availability of these commodities in the Black Sea region, and increases in domestic consumption and export demand of sun oil. Turkish exports of refined sunflowerseed oil to neighboring countries continued to increase in MY 2011.

Post:
Ankara

Commodities:
Meal, Sunflowerseed

Oil, Sunflowerseed

Oilseed, Sunflowerseed

Author Defined:
Production

Post now estimates the MY 2012 sunflower seed area and production to be 580,000 hectares and 1 MMT. Despite the eighteen percent increase in planting area dry weather conditions adversely affected yields, particularly in the Thrace and Cukurova regions, limiting the production increase to eight percent.

Turkey has a large crushing capacity, about 3.5 MMT, and Turkish crushers are willing to fulfill their crushing capacity with seeds produced domestically or imported.

In MY 2012, despite the increase in domestic production of sun meal crush, total domestic sun meal production is expected to decline due to limited availability of sun seeds in the region. Total production of sun meal in MY 2012 is expected to decline to 910,000 MT from 985,000 MT in MY 2011.

MY 2012 sun oil production expected to decrease to 740,000 MT for the same reason. Deficiency in the local production will be met partially by imported seed and oil.

Consumption

Utilization of sun meal in poultry and livestock rations increased in MY 2011 due to import difficulties of other feed items such as DDGS and CGFP as several biotech corn varieties have not been approved by the Bio-Safety Board. Increases in domestic production of poultry meat, eggs and livestock also played a role in higher consumption of sun meal.

Sun oil consumption also increased, benefiting from the decline in corn oil consumption caused by concerns over biotechnology. While consumption of sun meal is expected to decline somewhat, due to availability and higher prices, a minor increase is foreseen for sun oil in MY 2012 due to increase in domestic consumption.

Trade

Imports of sunflowerseed, meal and oil all increased significantly during the first eleven months of MY 2011. Accordingly, sunflowerseed imports increased twenty five percent, sun meal fifty percent and sun oil sixty-two percent.

Total imports of sunflower seed for crushing reached 820,000 MT during first eleven months of MY2011, up from 685,700 MT in MY 2010 . Neighboring Black Sea countries continue to be the main

source. Russia (271,000 MT), Ukraine (185,000 MT), Bulgaria (142,000 MT), Moldova (136,000 MT) and Romania (87,000 MT) were the leading suppliers. Imports of sun seeds expected to decline in MY 2012 due to a reduced crop as a result of dry weather in the Black Sea region.

Due to import irregularities of other feed items such as DDGS and CGFP, Turkey's sunflower seed meal imports reached 720,000 MT during the first eleven months of MY 2011, compared to 472,000 MT of MY 2010. Turkey continued to resolve its sunflower seed meal deficiency through imports from Russia (438,000 MT), Ukraine (243,000 MT) due to increased availability as a result of increased crushing capacities in these countries. Other Black Sea sources include Romania (35,000 MT) and Bulgaria (4,500 MT).

Turkish imports of crude sunflower seed oil also increased to meet export demand, which reached 606,000 MT; up 75% from the same period in MY 2011 (347,000 MT). Russia was the main supplier with 410,000 MT, followed by Ukraine (185,000 MT), Argentina (8,000 MT), and Romania (3,000 MT).

Turkey's refined sunflower seed oil exports increased again, reaching 251,000 MT during the first eleven months of the MY 2011. Iraq was the main exporter (183,000 MT) followed by Syria (9,000 MT), Lebanon (8,000 MT) and Yemen (8,000 MT).

Turkey's low cost mixed vegetable oil exports also increased significantly during the same period, reaching 235,000 MT, of which about 80% is estimated to be sun oil and the rest a combination of other vegetable oils such as cotton oil and canola oil. Iraq was the main buyer of Turkish mixed oil with 214,000 MT, followed by Syria (4,500 MT). Total refined sunflowerseed oil exports, combining the two categories, is estimated at 430,000 MT during the first eleven months of MY 2011. The export trend is expected to continue in MY 2012 as well.

Important note: PSD export figures for sun oil reflects total sun oil exports, refined and sun oil in mixed vegetable oil, combined to reflect the real number of exports. While 151219 sunflowerseed oil category is taken as it is, eighty percent of 151220 category of vegetable oil is added to 1512119 figure to reach the total sunflowerseed oil number on PSD.

| Oilseed, Sunflowerseed Turkey | 2010/2011 | 2011/2012 | 2012/2013 |
|----------------------------------|-----------|-----------|-----------|
|----------------------------------|-----------|-----------|-----------|

| | Market Year Begin: Sep 2010 | | Market Year Begin: Sep 2011 | | Market Year Begin: Sep 2012 | |
|-----------------------|-----------------------------|----------|-----------------------------|----------|-----------------------------|----------|
| | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Planted | 580 | 485 | 580 | 490 | 580 | 580 |
| Area Harvested | 485 | 485 | 490 | 490 | 525 | 580 |
| Beginning Stocks | 133 | 130 | 235 | 40 | 283 | 30 |
| Production | 1,000 | 1,000 | 925 | 925 | 1,050 | 1,000 |
| MY Imports | 705 | 695 | 850 | 860 | 500 | 650 |
| MY Imp. from U.S. | 2 | 0 | 0 | 0 | 0 | 0 |
| MY Imp. from EU | 334 | 330 | 0 | 230 | 0 | 250 |
| Total Supply | 1,838 | 1,825 | 2,010 | 1,825 | 1,833 | 1,680 |
| MY Exports | 26 | 4 | 40 | 5 | 10 | 5 |
| MY Exp. to EU | 4 | 3 | 0 | 0 | 0 | 0 |
| Crush | 1,570 | 1,775 | 1,680 | 1,785 | 1,730 | 1,640 |
| Food Use Dom. Cons. | 4 | 3 | 4 | 3 | 4 | 3 |
| Feed Waste Dom. Cons. | 3 | 3 | 3 | 2 | 3 | 2 |
| Total Dom. Cons. | 1,577 | 1,781 | 1,687 | 1,790 | 1,737 | 1,645 |
| Ending Stocks | 235 | 40 | 283 | 30 | 86 | 30 |
| Total Distribution | 1,838 | 1,825 | 2,010 | 1,825 | 1,833 | 1,680 |
| CY Imports | 906 | 896 | 820 | 920 | 550 | 650 |
| CY Imp. from U.S. | 2 | 0 | 0 | 0 | 0 | 0 |
| CY Exports | 32 | 4 | 35 | 5 | 30 | 5 |
| CY Exp. to U.S. | 0 | 0 | 0 | 0 | 0 | 0 |

| Meal, Sunflowerseed Turkey | 2010/2011 | | 2011/2012 | | 2012/2013 | |
|----------------------------|-----------------------------|----------|-----------------------------|----------|-----------------------------|----------|
| | Market Year Begin: Sep 2010 | | Market Year Begin: Sep 2011 | | Market Year Begin: Sep 2012 | |
| | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Crush | 1,570 | 1,775 | 1,680 | 1,785 | 1,730 | 1,640 |
| Extr. Rate, 999.9999 | 0. | 0.5504 | 0. | 0.5518 | 0. | 0.5549 |
| Beginning Stocks | 0 | 0 | 0 | 70 | 100 | 80 |
| Production | 597 | 977 | 639 | 985 | 659 | 910 |
| MY Imports | 500 | 500 | 750 | 750 | 550 | 650 |
| MY Imp. from U.S. | 0 | 0 | 0 | 0 | 0 | 0 |
| MY Imp. from EU | 0 | 35 | 0 | 45 | 0 | 50 |
| Total Supply | 1,097 | 1,477 | 1,389 | 1,805 | 1,309 | 1,640 |
| MY Exports | 0 | 3 | 5 | 3 | 0 | 5 |
| MY Exp. to EU | 0 | 0 | 0 | 0 | 0 | 0 |
| Industrial Dom. Cons. | 0 | 0 | 0 | 0 | 0 | 0 |
| Food Use Dom. Cons. | 0 | 0 | 0 | 0 | 0 | 0 |
| Feed Waste Dom. Cons. | 1,097 | 1,404 | 1,284 | 1,722 | 1,309 | 1,585 |
| Total Dom. Cons. | 1,097 | 1,404 | 1,284 | 1,722 | 1,309 | 1,585 |
| Ending Stocks | 0 | 70 | 100 | 80 | 0 | 50 |
| Total Distribution | 1,097 | 1,477 | 1,389 | 1,805 | 1,309 | 1,640 |
| CY Imports | 568 | 568 | 750 | 750 | 600 | 650 |
| CY Imp. from U.S. | 0 | 0 | 0 | 0 | 0 | 0 |
| CY Exports | 0 | 0 | 0 | 2 | 0 | 3 |
| CY Exp. to U.S. | 0 | 0 | 0 | 0 | 0 | 0 |
| SME | 1,036 | 1,326 | 1,212 | 1,626 | 1,236 | 1,497 |

| Oil, Sunflowerseed Turkey | 2010/2011 | | 2011/2012 | | 2012/2013 | |
|------------------------------|--------------------------------|----------|--------------------------------|----------|--------------------------------|----------|
| | Market Year Begin: Sep 2010 | | Market Year Begin: Sep 2011 | | Market Year Begin: Sep 2012 | |
| | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Crush | 1,570 | 1,775 | 1,680 | 1,785 | 1,730 | 1,640 |
| Extr. Rate, 999.9999 | 0. | 0.4394 | 0. | 0.4426 | 0. | 0.4512 |
| Beginning Stocks | 10 | 10 | 70 | 66 | 227 | 156 |
| Production | 671 | 780 | 718 | 790 | 727 | 740 |
| MY Imports | 401 | 401 | 650 | 650 | 500 | 600 |
| MY Imp. from U.S. | 0 | 0 | 0 | 0 | 0 | 0 |
| MY Imp. from EU | 0 | 0 | 0 | 5 | 0 | 5 |
| Total Supply | 1,082 | 1,191 | 1,438 | 1,506 | 1,454 | 1,496 |
| MY Exports | 157 | 280 | 280 | 480 | 350 | 460 |
| MY Exp. to EU | 0 | 0 | 0 | 0 | 0 | 0 |
| Industrial Dom. Cons. | 25 | 20 | 25 | 25 | 25 | 30 |
| Food Use Dom. Cons. | 810 | 810 | 884 | 820 | 904 | 830 |
| Feed Waste Dom. Cons. | 20 | 15 | 22 | 25 | 22 | 25 |
| Total Dom. Cons. | 855 | 845 | 931 | 870 | 951 | 885 |
| Ending Stocks | 70 | 66 | 227 | 156 | 153 | 151 |
| Total Distribution | 1,082 | 1,191 | 1,438 | 1,506 | 1,454 | 1,496 |
| CY Imports | 470 | 470 | 500 | 600 | 500 | 500 |
| CY Imp. from U.S. | 0 | 0 | 0 | 0 | 0 | 0 |
| CY Exports | 205 | 370 | 250 | 520 | 250 | 400 |
| CY Exp. to U.S. | 0 | 0 | 0 | 0 | 0 | 0 |